

EXHIBIT B-3

Northeast NPR-A Stipulations

Exception Clause: In the event that an exception to a lease or permit stipulation is requested and before an exception may be granted, the AO shall find that implementation of the stipulation is:

1. a) technically not feasible or
 b) economically prohibitive or
 c) an environmentally preferable alternative is available, and
2. the alternative means proposed by the lessee fully satisfies the objective(s) of the stipulation.

In addition, prior to the consideration or granting of an exception to a lease or permit stipulation, all conditions and/or consultation requirements specific to a stipulation must be met. The AO shall consult with appropriate Federal, State, and NSB regulatory and resource agencies before an exception may be granted, except in the case of an emergency. The AO's power to grant stipulation exceptions is limited to those subjects, uses, and permits over which the BLM has authority. Exceptions may be granted in emergencies involving human health and safety.

Waste Prevention, Handling, and Disposal and Spills:

1. To prevent and minimize present and future pollution, management decisions affecting waste generation shall be addressed in the following order of priority:

- Prevention and Reduction
- Recycling
- Treatment
- Disposal

- a. Lessees shall prepare a waste-management plan approved by the AO, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, to achieve specific waste-reduction and prevention goals for all phases of exploration and development (including activities conducted by contractors). The plan shall identify all waste streams that will be produced during each operation by type, volume, and toxicity and the method of disposal. For each waste stream, the lessee/operator shall describe what actions will be taken to minimize the volume. The plan should include activities that will integrate pollution prevention concepts into purchasing, inventory, shipping/receiving, operations maintenance, training, accounting, and design. The goal of the plan shall be continuous environmental improvement and achievement of reduction goals developed through the planning process. Lessees shall develop schedules

for implementation and review to meet reduction and prevention goals, designate accountable personnel to carry out action items, and specify budget line items for plan elements. Lessees shall provide the AO with an annual waste-management report.

- b. Lessees shall implement a hazardous-materials tracking system to ensure proper use, storage, and management of materials being used within industrial processes. The use of chlorinated solvents is prohibited.
 - c. Lessees shall conduct annual environmental compliance audits.
- 2. Attracting wildlife to food and garbage is prohibited. All feasible precautions shall be taken to avoid attracting wildlife to food and garbage. A current list of approved precautions, specific to type of permitted use, can be obtained from the AO. Lessees and permitted users shall have a written procedure to ensure that the handling and disposal of putrescible waste will be accomplished in a manner to prevent the attraction of wildlife.
- 3. Burial of garbage is prohibited. All putrescible waste shall be incinerated or composted through an AO-approved system, unless otherwise authorized by the AO. All solid waste, including incinerator ash, shall be removed from BLM lands and disposed of in an approved waste-disposal facility in accordance with U.S. Environmental Protection Agency (USEPA) and State of Alaska, Dept. of Environmental Conservation (ADEC) regulations and procedures. Burial of human waste is prohibited except as authorized by the AO.
- 4. Except as specifically provided, all pumpable solid, liquid, and sludge waste shall be disposed of by injection in accordance with USEPA, ADEC, and the Alaska Oil and Gas Conservation Commission regulations and procedures. On-pad temporary muds and cuttings storage will be allowed as necessary to facilitate annular injection and/or backhaul operations.
- 5. Wastewater disposal:
 - a. Unless authorized by the National Pollution Discharge Elimination System (NPDES) or State permit, disposal of domestic wastewater into bodies of freshwater, including wetlands, is prohibited.
 - b. Surface discharge of reserve-pit fluids is prohibited unless authorized by applicable NPDES, ADEC, and NSB permits and approved by the AO.
 - c. Disposal of produced waters in upland areas, including wetlands, will be by subsurface-disposal techniques. The AO, in consultation with the ADEC and USEPA, may permit alternate disposal methods, if the lessee demonstrates that subsurface disposal is not feasible or prudent.
 - d. Discharge of produced waters into open or ice-covered marine waters less than 33 feet (10 meters) in depth is prohibited. The AO in consultation with ADEC and USEPA may approve discharges into waters greater than 33 feet (10 meters) in depth based on a case-by-case review of environmental factors and consistency

- with the conditions of a NPDES permit.
- e. Alternate disposal methods will require an NPDES permit certified by the State.
 6. Areas of operation shall be left clean of all debris.
 7. All spills shall be cleaned up immediately and to the satisfaction of the AO and all agencies with regulatory authority over spills, including the USEPA, ADEC, and the U.S. Coast Guard.
 8. Notice of any spill shall be given to the AO as soon as possible. Other Federal, State, and NSB entities shall be notified as required by law.
 9. For oil- and gas-related activities, a Hazardous-Materials Emergency-Contingency Plan shall be prepared and implemented prior to transportation, storage, or use of fuel. The plan shall include a set of procedures to ensure prompt response, notification, and cleanup in the event of a hazardous substance spill or threat of a release. Procedures applicable to fuel handling (associated with transportation vehicles) may consist of Best Management Practices approved by the AO. The plan shall include a list of resources available for response (e.g., heavy-equipment operators, spill-cleanup materials or companies), and names and phone numbers of Federal, State, and NSB contacts. Other Federal and State regulations may apply and require additional planning requirements. All staff shall be instructed regarding these procedures.
 10. Oil-spill-cleanup materials (absorbents, containment devices, etc.) shall be stored at all fueling points and vehicle-maintenance areas and be carried by field crews on all overland moves, seismic work trains, and similar overland moves by heavy equipment.
 11. Lessees shall provide refresher spill-response training to NSB and local community spill-response teams on a yearly basis.
 12. Lessees shall plan and conduct a major spill-response field-deployment drill annually.
 13. Prior to production and as required by law, lessees shall develop spill prevention and response contingency plans and participate in development and maintenance of the *North Slope Subarea Contingency Plan for Oil and Hazardous Substances Discharges/Releases* for the NPR-A operating area. Planning shall include development and funding of detailed (e.g., 1:26,000 scale) environmental sensitivity index maps for the lessee's operating area and areas outside the lessee's operating area that could be affected by their activities. (The specific area to be mapped shall be defined in the lease agreement and approved by the AO in consultation with appropriate resource agencies). Maps shall be completed in paper copy and geographic information system format in conformance with the latest version of the U.S. Department of Commerce, National Oceanic and Atmospheric Administration's *Environmental Sensitivity Index Guidelines*. Draft and final products shall be peer reviewed and approved by the AO in consultation with appropriate Federal, State, and NSB resource and regulatory agencies.

14. Except during overland moves and seismic operations (see stipulation 24m), fuel, other petroleum products, and other liquid chemicals designated by the AO, whether in excess of 660 gallons in a single tank or in excess of 1,320 gallons in multiple containers, shall be stored within an impermeable lined and diked area capable of containing 110 percent of the stored volume. The liner material shall be compatible with the stored product and capable of remaining impermeable during typical weather extremes expected throughout the storage period. Permanent fueling stations shall be lined or have impermeable protection to prevent fuel migration to the environment due to overfills and spills. The storage area shall be located at least 500 feet from any waterbody with the exception of small caches (up to 210 gallons) for motor boats, float planes, and ski planes.
15. Fuels shall not be stored on the active floodplain of any waterbody. Although fuels may be off-loaded from aircraft on ice, fuels shall not be stored on lake or river ice.
16. Refueling of equipment within 500 feet of the highest high water mark of any waterbody is prohibited with the exception of refueling motor boats, float planes, and ski planes. (See stipulation 24n for restrictions related to overland moves and seismic operations.)
17. All fuel containers, including barrels and propane tanks, shall be marked with the responsible party's name, product type, and year filled or purchased.

Ice Roads and Water Use:

18. The location of winter ice roads shall be offset from year to year to minimize vegetative impacts. The offset shall be greater than or equal to the width of the road.
19. Compaction of snow cover or snow removal from fish-bearing waterbodies shall be prohibited except at approved ice-road crossings.
20. Water withdrawal from rivers and streams during winter is prohibited. Water withdrawal is prohibited during winter from lakes less than 7 feet (2.1 m) deep if they are interconnected with or subject to seasonal flooding by a fish-bearing stream. Water may be withdrawn from isolated lakes that are less than 7 feet (2.1 m) deep that lack connection to or are not subject to seasonal flooding by a fish-bearing stream. After consultation with the appropriate Federal, State, and NSB regulatory and resource agencies, the AO may authorize withdrawals from any lake less than 7 feet (2.1 m) deep, if the proponent demonstrates that no fish exist in the lake.

Generally, water withdrawal drawdown during winter from lakes 7 feet (2.1 m) deep or deeper shall be limited to 15 percent of the estimated free-water volume (i.e., excluding the ice). After consultation with the appropriate Federal, State, and NSB regulatory and resource agencies, the AO may authorize drawdown exceeding 15 percent from a lake greater than 7 feet (2.1 m) deep, if the proponent of the additional drawdown demonstrates that no fish exist in the lake. Operators are encouraged to use new ice-road

and ice-pad construction methods, such as using aggregate “chips” shaved from frozen lakes, to decrease water demands, construction time, and impact on fisheries.

21. The AO, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, may allow water extraction from any lake used by molting geese, if it is determined that the withdrawal is consistent with stipulation 20 and will not adversely affect identified goose-feeding habitat along lakeshore margins. An analysis/demonstration of the hydrologic functions of the lake(s) under review may be required of the lessee by the AO prior to approval of the withdrawal.
22. Except for approved crossings, alteration of the banks of a waterway is prohibited. Waterways include natural features with sufficient water to create riparian (willow) habitat such as rivers, streams, deep and shallow lakes, tundra ponds, and shallow water tracks. Clearing of willows along the riparian zone is prohibited. Movement of equipment through willow stands shall be avoided whenever possible.

Overland Moves and Seismic Work:

23. Seismic work is prohibited within 1,200 feet of any known, long-term cabin or campsite, identified by the AO, without the written permission of the AO. The AO's decision will be informed by the consultation process described in stipulation 61.
24. The following restrictions apply to overland moves, seismic work, and any similar use of heavy equipment (other than actual excavations as part of construction) on unroaded surfaces during the winter season:
 - a. Because polar bears are known to den predominantly within 25 miles of the coast, operators shall consult with the Fish and Wildlife Service (FWS) prior to initiating activities in such habitat between October 30 and April 15. Activities are prohibited within 1 mile of known or observed polar bear dens; obtain locations from the FWS, (907) 786-3800. Operators are encouraged to apply for a letter of authorization from the FWS to conduct activities in polar bear denning areas.
 - b. Motorized ground-vehicle use will be minimized within the Colville River Raptor, Passerine, and Moose Area LUEA from April 15 through August 5, with the exception that use will be minimized in the vicinity of gyrfalcon nests beginning March 15. Such use will remain 2 miles away from known raptor-nesting sites, unless authorized by the AO. The BLM shall consult with FWS to plan travel routes to minimize disturbance to raptors.
 - c. Crossing of waterway courses shall be made using a low-angle approach to avoid disruption of the natural stream or lake bank. Except at approved crossings, operators are encouraged to travel a minimum of 100 feet from overwintering fish streams and lakes.
 - d. If snow ramps or snow bridges are used at water crossings for bank protection, the ramps and bridges shall be substantially free of soil and/or debris. Snow bridges

- shall be removed or breached immediately after use or before spring breakup.
- e. To avoid additional freeze down of deep-water pools harboring overwintering fish, waterways shall be crossed at shallow riffles from point bar to point bar whenever possible.
- f. On-the-ground activities shall use low-ground-pressure vehicles such as Rolligons, ARDCO, Trackmaster, Nodwell, or similar types of vehicles. A current list of approved vehicles can be obtained from the AO. Limited use of tractors equipped with wide tracks or “shoes” will be allowed to pull trailers.
- g. Bulldozing of tundra, trails, or seismic lines is prohibited. This stipulation, however, does not prohibit the clearing of drifted snow along a trail, seismic line, or in a camp, to the extent that the tundra mat is not disturbed. Snow may be cleared from a waterbody ice surface to prepare an aircraft runway, if approved by the AO in consultation with appropriate Federal, State, and NSB regulatory and resource agencies.
- h. To reduce the possibility of ruts, vehicles shall avoid using the same trails for multiple trips unless necessitated by serious safety or superseding environmental concern. This provision does not apply to ice roads (see stipulation 18 above).
- i. Ground operations are to begin only after the seasonal frost in the tundra and underlying mineral soils has reached a depth of 12 inches, and the average snow cover is 6 inches deep. The exact date shall be determined by the AO.
- j. Ground operations shall cease when the spring melt of snow begins; approximately May 5 in the foothills area where elevations exceed 300 feet, and approximately May 15 in the northern coastal areas. The exact date will be determined by the AO.
- k. Seismic activities and overland moves within the Goose Molting LUEA and the Teshekpuk Lake Caribou Habitat LUEA from May 1 through September 30 are prohibited. (Note that this overrides language in stipulation 24j.)
- l. To prevent surface disturbance to tundra and other vegetation, tracked vehicles will not execute tight turns by locking one track.
- m. Operators shall use best available technology (e.g., self-contained containment systems) or other appropriate spill containment measures, approved by the AO, to prevent fuel migration from fuel or chemical storage areas to the environment due to overfills and spills.
- n. Refueling of equipment is prohibited within the active floodplain of any waterbody.

Oil and Gas Exploratory Drilling:

- 25. From May 1 through September 30, exploratory drilling other than from production pads is prohibited in the Special Caribou Stipulations Area (Fig. II.C.1-1).
- 26. Exploratory drilling is prohibited within 1,200 feet of any known, long-term cabin or campsite, identified by the AO, without written permission of the AO. The AO's decision will be informed by the consultation process described in stipulation 61.

27. Permanent or gravel oil and gas facilities including roads shall not be constructed during the exploration phase of oil and gas development.
28. Exploratory drilling in river, stream, and lake beds, as determined by the highest high water mark, is prohibited. Exceptions to this stipulation may be authorized by the AO in cases of shallow lakes which freeze to the bottom, do not support significant fish or bird populations, and are hydrologically isolated. Further, such an exception may be granted only if it is environmentally preferable to maintaining the restriction.

Facility Design and Construction:

29. At least 3 years prior to approval of any development plan for leases within the Special Caribou Stipulations Area (see Fig. II.C.1-1), the lessee shall design and implement a study of caribou movement, including historical information regarding the distribution and range use of the Teshekpuk Lake Caribou Herd, as well as maps of caribou trails within the area. Study data may be gathered concurrent with approved seismic and exploration activity. The study design shall be approved by the AO in consultation with the Research and Monitoring Team. The study will include a minimum of 3 years of data to assist in providing the information necessary to determine facility design and location, including pipelines, that will be part of the development plan. Lessees may submit individual plans or they may combine with other lessees in the area to do a joint study. Total study funding by all lessees will not exceed \$500,000.
30. Causeways and docks are prohibited in river mouths or deltas. Artificial gravel islands and bottom-founded structures are prohibited in river mouths or active stream channels on river deltas, except as provided in the paragraphs below.

The BLM discourages the use of continuous-fill causeways. Environmentally preferred alternatives for field development include the use of onshore directional drilling, elevated structures, or buried pipelines. Approved causeways shall be designed, sited, and constructed to prevent significant changes to near shore oceanographic circulation patterns and water-quality characteristics (e.g., salinity, temperature, suspended sediments) that result in exceedences of water-quality criteria, and must maintain free passage of marine and anadromous fish.

Causeways, docks, artificial gravel islands, and bottom-founded structures may be permitted if the AO, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, determines that a causeway or other structure is necessary for field development, and that no feasible and prudent alternative exists. A monitoring program may be required to address the objectives of water quality and free passage of fish. Additional mitigation shall be required where significant deviation from these objectives occurs.

31. Permanent oil and gas surface occupancy, including but not limited to permanent oil and gas facilities, pads, rigs, platforms, gravel roads, airstrips, pipelines, gravel or other

material extraction sites, and exploration and delineation drilling facilities are prohibited in the Teshekpuk Lake Surface Protection Area (specifically, T. 13 N., Rs. 3-7 W., U.M.; Secs. 1-6, 8-16, 21-25, 36, T. 13 N., R. 8 W., U.M.; T. 14 N., Rs. 1-2 E. and Rs. 1-8 W., U.M.; Secs. 1-2, 11-14, T. 14 N., R. 9 W., U.M.; T. 15 N., Rs. 2-8 W., U.M.; Secs. 1-3, 7-30, 35-36, T. 15 N., R. 9 W., U.M.; T. 16 N., Rs. 2-8 W., U.M.; Secs. 1-6, 8-17, 21-27, 34-36, T. 16 N., R. 9 W., U.M.; T. 17 N., Rs. 1-9 W., U.M.; and T. 18 N., Rs. 2-8 W., U.M.). No exceptions will be granted to this stipulation.

32. Lessees shall use maximum economically feasible extended-reach drilling for production drilling to minimize the number of pads and the network of roads between pads. New developments shall share facilities with existing development when prudent and technically feasible. All oil and gas facilities, except airstrips, docks, and seawater-treatment plants, will be collocated with drill pads. If possible, airstrips will be integrated with roads. Given the paucity of gravel sites in the planning area and the cost of transporting gravel from outside the planning area, lessees are encouraged to implement gravel-reduction technologies e.g., insulated or pile-supported pads.
33. Within the Special Caribou Stipulations Area (see Fig. II.C.1-1), lessees shall orient linear corridors when laying out oil field developments to address migration and corralling effects and to avoid loops of road and/or pipeline that connect facilities.
34. Lessees shall separate elevated pipelines from roads by a minimum of 500 feet, if feasible. Separating roads from pipelines may not be feasible within narrow land corridors between lakes and where pipe and road converge on a drill pad.
35. To minimize delay or deflection of caribou movements, lessees shall place pipeline on the appropriate side of the road as determined by the AO (depending on general caribou movements in the area).
36. In the Special Caribou Stipulations Area (see Fig. II.C.1-1) and where facilities or terrain may funnel caribou movement, ramps over pipelines, buried pipe, or pipe buried under the road may be required by the AO after consultation with appropriate Federal, State, and NSB regulatory and resource agencies.
37. Aboveground pipelines shall be elevated at least 5 feet, as measured from the ground to the bottom of the pipe, except where the pipeline intersects a road, pad, or a ramp installed to facilitate wildlife passage and subsistence passage and access. The AO, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, may make an exception if no feasible and prudent means exists to meet the requirement.
38. All crude oil, produced water, seawater, and natural gas pipelines shall be constructed to accommodate the best available technology for detecting corrosion or mechanical defects during routine structural integrity inspections.
39. Permanent oil and gas facilities, including roads, airstrips, and pipelines, are prohibited

within and adjacent to the waterbodies listed below at the distances identified to protect fish and raptor habitat, cultural and paleontological resources, and subsistence and other resource values. Setbacks include the bed of the waterbody and are measured from the bank's highest high water mark.

- a. **Ikpikpuk River:** a 2-mile setback from the bank of the Ikpiuk River within the planning area (fish, raptors, subsistence, cultural, and paleontological resources).
- b. **Miguakiak River:** a 2-mile setback from each bank of the Miguakiak River (fish and subsistence resources).
- c. **Teshekpuk Lake:** a 2-mile setback from the bank and around the perimeter of Teshekpuk Lake (fish and subsistence resources).
- d. **Fish Creek:** (1) a 3-mile setback from each bank of Fish Creek downstream from Section 31, T11N, R1E; (2) a 2-mile setback from each bank of Fish Creek in and upstream from Section 31, T11N, R1E (fish and subsistence resources).
- e. **Judy Creek:** a 2-mile setback from each bank of Judy Creek extending from the mouth to the confluence of an unnamed tributary in Sec. 8, T8N., R.2W., Umiat Meridian (fish and subsistence resources).
- f. **Colville River:** a 1-mile setback from the western bluff (or bank if there is no bluff) of the Colville River extending the length of the river as described in the Colville River Raptor, Passerine, and Moose LUEA. This restriction does not apply within 12 mile of the Umiat airstrip (fish, raptor, passerine, moose, paleontological, subsistence, scenic, and recreational resources).
- g. **Deep Water Lakes:** a 3-mile setback around the perimeter of any fish-bearing lake within or partially within the deep lake zone (see Fig. II.B.5) (fish resources). (If the fish-bearing status of the waterbody is unknown, the burden is on the lessee to demonstrate whether fish are present.)
- h. **Kikiakrorak River:** a 1-mile setback from each bluff (or bank if there is no bluff) of the Kikiakrorak River downstream from T.2 N, R. 4 W., Umiat Meridian (raptor, passerine, and moose resources).
- i. **Kogosukruk River:** a 1-mile setback from each bluff (or bank if there is no bluff) of the Kogosukruk River (including the four tributaries off the southern bank) downstream from T.2 N., R.3W., Umiat Meridian (raptor, passerine, and moose resources).

On a case-by-case basis, essential pipeline and road crossings will be permitted, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, through setback areas in those instances where no other suitable sites are available. Stream crossings will be sited perpendicular to the main channel flow; lake crossings will be at the narrowest point. Pipeline and road crossings are prohibited in the setback around Teshekpuk Lake, with no exceptions. Road crossings are prohibited in the setback adjacent to the Colville River with no exceptions.

40. Gravel mining sites required for development activities will be restricted to the minimum necessary to develop the field efficiently and with minimal environmental damage.

Where feasible and prudent, gravel sites shall be designed and constructed to function as water reservoirs for future use. Gravel mine sites are prohibited within the active floodplain of a river, stream, or lake unless the AO, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, determines that there is no feasible and prudent alternative or that a floodplain site would enhance fish and wildlife habitat after mining operations are completed and the site is closed.

Mine site development and rehabilitation within a floodplain shall follow the procedures outlined in McLean (1993), North Slope Gravel Pit Performance Guidelines; State of Alaska, Dept. of Fish and Game (ADF&G) Habitat and Restoration Division Technical Report 93-9.

41. For those waterbodies not listed in stipulation 39, permanent oil and gas facilities, including roads, airstrips, and pipelines, are prohibited upon or within 500 feet as measured from the highest high water mark of the active floodplain. Essential pipeline and road crossings will be permitted on a case-by-case basis.
42. Bridges, rather than culverts, shall be used for any allowed road crossings on all major rivers, including those waterbodies listed in stipulation 39 or identified by the AO in consultation with appropriate Federal, State, and NSB regulatory and resource agencies, to reduce the potential of ice-jam flooding and erosion. When necessary on smaller streams, culverts shall be large enough to avoid restriction of fish passage or adversely affecting natural stream flow.
43. The natural drainage pattern will be identified prior to and maintained during and after construction. All permanent structures constructed adjacent to a body of water, such as approved road and pipeline crossings, shall be sited and designed to limit erosion from flooding and wave action (e.g., through use of slope-protection measures). Cross-drainage structures will be sited, maintained, and properly abandoned to prevent impoundments or alteration of local or areawide hydrology. Gravel structures shall be designed and sited to minimize the length that is perpendicular to sheet flow.
44. Dewatering during construction shall be conducted using Best Management Practices (BMP's). A current list of BMP's will be available from the AO. Examples include the use of splash plates, dewatering points, natural filtration through vegetation, and dewatering during low-water period.
45. No surface structures, except essential transportation crossings, are allowed within the Pik Dunes LUEA.
46. Lessees shall minimize the impact of industrial development on key wetlands. Key wetlands are those wetlands that are important to fish, waterfowl, and shorebirds because of their high value or scarcity in the region. Lessees shall identify on a map or aerial photograph the largest surface area, including future expansion areas, within which a facility is to be sited or an activity is to occur. The AO will consult with Federal, State,

and NSB regulatory and resource agencies to identify key wetlands and work with lessees during the development of operating plans. To minimize impact, the lessee shall avoid siting facilities in the identified wetlands, unless no feasible and prudent alternative exists. Key wetland types include but are not limited to fish-bearing lakes and streams, riparian shrub, and the following classes described by Bergman et al. (1977): shallow and deep-*Arctophila* ponds, deep-open lakes, basin-complex wetlands, and coastal wetlands.

47. Permanent oil and gas facilities are prohibited within 1 mile of known long-term cabins or long-term campsites, identified by the AO, except that pipelines and roads are allowed up to 3 mile from such cabins or campsites. The AO's decision will be informed by the consultation process described in stipulation 61.
48. Permanent roads (i.e. gravel, sand) connecting to a road system or docks outside the planning area are prohibited, and no exceptions may be granted. Permanent roads necessary to connect pads within independent, remote oil fields are allowed but they must be designed and constructed to create minimal environmental impacts. Roads connecting production sites between separate oil fields may be considered if road-connected operations are environmentally preferable to independent, consolidated operations that each include airstrip, housing, production, and support facilities. This exception will only be granted following consultations with appropriate Federal, State, and NSB regulatory and resources agencies, and the appropriate level of NEPA review.

Ground Transportation:

49. The following ground-traffic restrictions apply to permanent roads (as authorized in stipulation 48 above) in the Special Caribou Stipulations Area (Fig. II.C.1-1):
 - a. From May 20 through June 20:
 - (1) Traffic speed will not exceed 15 miles per hour.
 - (2) Traffic will be minimized (a reasonable target would be four convoy round-trips per day between facilities). Nonessential operations requiring vehicles shall be suspended during this time period.
 - b. From May 20 through August 1:
 - (1) Caribou movement will be monitored.
 - (2) Based on this monitoring, traffic will cease when a crossing by 10 or more caribou appears to be imminent.

From May 20 through August 20:

- (1) Convoying will be used to minimize the number of disturbances due to road traffic.
 - (2) Personnel will be bussed between work sites and other facilities to minimize the number of vehicles on the road.
50. Major stockpiling of equipment, materials, and supplies for oil and gas activities in the

Special Caribou Stipulations Area (see Fig. II.C.1-1) shall occur prior to or after the period May 20 through June 20 to minimize road traffic during that period.

51. Chasing wildlife with ground vehicles is prohibited.

Air Traffic:

(Note: The BLM's authority to restrict air traffic is limited to those activities associated with use authorization on BLM-administered lands.)

52. Use of aircraft larger than a Twin Otter for authorized activities in the planning area, including oil and gas activities, from May 20 through August 20 within the Teshekpuk Lake Caribou LUEA (see Fig. II.B.4) is prohibited, except in cases of emergency.
53. Helicopter overflights for BLM-permitted activities shall be suspended in the Goose Molting LUEA (see Fig. II.B.2) from June 15 through August 20.
54. Fixed-wing aircraft traffic takeoffs and landing for BLM-permitted activities in the planning area shall be limited to an average of one round-trip flight a day from May 20 through June 20 at aircraft facilities in the Teshekpuk Lake Caribou Habitat LUEA (see Fig. II.B.4). Within the Goose Molting LUEA (see Fig. II.B.2), fixed-wing aircraft use for such activities shall be restricted from June 15 to August 20 to flight corridors and frequencies established by BLM in consultation with the appropriate Federal, State, and NSB regulatory and resource agencies.
55. Aircraft shall maintain an altitude of at least 1,000 feet above ground level (AGL) (except for takeoffs and landings) over caribou winter ranges from October 1 through May 15 and 2,000 feet AGL over the Teshekpuk Lake Caribou Habitat LUEA (see Fig. II.B.4) from May 16 through July 31, unless doing so would endanger human life or violate safe flying practices.
56. Aircraft shall maintain an altitude of at least 1,500 feet AGL when within 2 mile of cliffs identified as raptor nesting sites from April 15 through August 5, unless doing so would endanger human life or violate safe flying practices. Aircraft shall maintain an altitude of 1,500 feet AGL when within 2 mile of known gyrfalcon nest sites from March 15 to April 15. Permittees shall obtain information from BLM necessary to plan flight routes near gyrfalcon nests.
57. Hazing of wildlife by aircraft is prohibited.

Oil Field Abandonment:

58. Upon field abandonment or expiration of a lease or oil- and gas-related permit, all facilities shall be removed and sites rehabilitated to the satisfaction of the AO, in consultation with appropriate Federal, State, and NSB regulatory and resource agencies. The AO may determine that it is in the best interest of the public to retain some or all of the facilities. Lessees shall comply with all exploration and development bonding required by law and regulation (43 CFR 3154.1 and 3134.1). No exceptions shall be granted to this provision.

Subsistence:

59. During exploration, development, and production, the lessee shall develop and implement a plan, approved by the AO in consultation with the Research and Monitoring Team and the Subsistence Advisory Panel, to monitor the effects of activities on subsistence. The lessee shall provide biannual reports to BLM, the Research and Monitoring Team, and the Subsistence Advisory Panel.
60. Lessees shall not unreasonably restrict access by subsistence users in oil field development areas.
- a. Lessees shall establish procedures for entrance to facilities, the use of roads, and firearms discharge. These procedures shall be developed in consultation with affected local communities, NSB, and the Subsistence Advisory Panel and be approved by the AO. In cases where the lessee and the Panel disagree, the AO will determine the appropriate procedure.
 - b. Lessees shall develop and distribute information about how to conduct subsistence activities in development areas safely (so equipment is not damaged and people are not endangered) to the communities through public meetings, newsletters, radio, and signs in both English and Inupiaq.
61. Exploration and development and production operations shall be conducted in a manner that prevents unreasonable conflicts between the oil and gas industry and subsistence activities.

Prior to submitting an exploration plan or development and production plan (including associated oil-spill contingency plans) to the BLM, the lessee shall consult with potentially affected subsistence communities (e.g., Barrow, Nuiqsut, Atqasuk, or Anaktuvuk Pass), NSB, and the Subsistence Advisory Panel to discuss potential conflicts with the siting, timing, and methods of proposed operations and safeguards or mitigating measures that could be implemented by the operator to prevent unreasonable conflicts. Through this consultation, the lessee shall make every reasonable effort, including such mechanisms as a conflict avoidance agreement, to ensure that exploration, development, and production activities are compatible with subsistence hunting, fishing, and other subsistence activities and will not result in unreasonable interference with subsistence

harvests.

A discussion of resolutions reached during this consultation process, specific conflict avoidance agreement(s), and plans for continued consultation shall be included in the permit application, exploration plan, or the development and production plan. In particular, the lessee shall show in the plan how its activities, in combination with other activities in the area, will be scheduled and located to prevent unreasonable conflicts with subsistence activities. Lessees also shall include a discussion of multiple or simultaneous operations, such as exploration and delineation well drilling and seismic activities, that can be expected to occur during operations to more accurately assess the potential for any cumulative effects. Communities, individuals, and other entities who were involved in the consultation shall be identified in the application or plan. The AO shall send a copy of the exploration plan or development and production plan (including associated oil-spill-contingency plans) to the potentially affected communities, the NSB, and the Subsistence Advisory Panel at the time they are submitted to the BLM to allow concurrent review and comment as part of the plan approval process.

In the event no agreement is reached between the parties, the AO shall consult with representatives from the subsistence communities, Subsistence Advisory Panel, NSB, and the lessee(s) to specifically address the conflict and attempt to resolve the issues before making a final determination on the adequacy of the measures taken to prevent unreasonable conflicts with subsistence harvests.

The lessee shall notify the AO of all concerns expressed by subsistence users during operations and of steps taken to address such concerns. Lease-related use will be restricted, when the AO determines it is necessary to prevent unreasonable conflicts with local subsistence hunting, fishing, and other subsistence activities.

In enforcing this stipulation, the AO will work with other agencies and the public to assure that potential conflicts are identified and efforts are taken to avoid these conflicts, e.g., planning seismic operations to avoid traditional land use sites and allotments. These efforts may include seasonal drilling restrictions, seismic restrictions, and directional drilling requirements or use of other technologies deemed appropriate by the AO.

The consultation process described in this stipulation will also be required of applicants for geophysical (i.e. seismic) permits to address potential conflicts with the setback requirements for cabins and campsites described in stipulation 23. This consultation will help provide information to the AO on the advisability of modifying or waiving the restriction on seismic activity identified in stipulation 23.

62. The following subsistence, wildlife habitat, and traditional/cultural land use areas are of significant concern to local communities and will be given special consideration during the consultation process outlined in stipulation 61:

- a. **Long-term cabins and campsites:** a 2-mile zone around the cabins and

campsites.

- b. **Ikpikpuk River:** a 2-mile zone from the east bank of the river.
- c. **Miguakiak River:** a 3-mile zone from each bank of the river.
- d. **Fish Creek:** (1) a 3-mile zone from each bank downstream from Sec. 31, T11N, R1E; (2) a 2-mile zone from each bank in and upstream from Section 31, T11N, R1E.
- e. **Judy Creek:** a 2-mile zone from each bank of the creek.
- f. **Kogosukruk River:** a 2-mile zone from each bluff (or bank if there is no bluff) of the river (including the four tributaries off the southern bank) downstream from T. 2 N., R. 3 W., Umiat Meridian.
- g. **Kikiakrorak River:** a 2-mile zone from each bluff (or bank if there is no bluff) of the river downstream from T.2 N, R. 4 W., Umiat Meridian.
- h. **Colville River:** a 2-mile zone from the west bluff (or bank if there is no bluff) extending the length of river in the Colville River Raptor, Passerine, and Moose LUEA.

In addition, a permittee or lessee engaged in oil and gas-related activity shall consult with the BLM, FWS, ADF&G, and the NSB regarding wildlife concerns prior to submitting a geophysical (i.e. seismic) permit, exploration plan, or development and production plan involving activity within the 2-mile zones around the Kogosukruk (and its tributaries), Kikiakrorak, and Colville Rivers described above. In the event that the permittee or lessee and the agencies are unable to reach agreement on steps necessary to address wildlife concerns, the AO will consult with the other agencies and the permittee or lessee before making a determination on the adequacy of the measures taken to prevent conflicts with wildlife.

Orientation Program:

- 63. The lessee shall include in any application for permit to drill a proposed orientation program for all personnel involved in exploration or development and production activities (including personnel of lessee's agents, contractors, and subcontractors) for review and approval by the AO. The program shall be designed in sufficient detail to inform individuals working on the project of specific types of environmental, social, and cultural concerns that relate to the planning area. The program shall address the importance of not disturbing archaeological and biological resources and habitats, including endangered species, fisheries, bird colonies, and marine mammals and provide guidance on how to avoid disturbance. Guidance shall include the production and distribution of information cards on endangered and/or threatened species in the planning area. The program shall be designed to increase sensitivity and understanding of personnel to community values, customs, and lifestyles in areas in which personnel will be operating. The orientation program shall also include information concerning avoidance of conflicts with subsistence, commercial fishing activities, and pertinent mitigation.

The program shall be attended at least once a year by all personnel involved in on-site

exploration or development and production activities (including personnel of lessee's agents, contractors, and subcontractors) and all supervisory and managerial personnel involved in lease activities of the lessee and its agents, contractors, and subcontractors. Individual training is transferable from one facility to another except for elements of the training specific to a particular site.

Lessees shall maintain a record onsite of all personnel who attend the program for so long as the site is active, though not to exceed the 5 most recent years of operations. This record shall include the name and dates(s) of attendance of each attendee.

Traditional Land Use Sites:

64. Lessees shall conduct an inventory of known traditional land use sites prior to any field activity. This inventory will be compiled from sites listed in the most current Traditional Land Use Inventory available from the NSB's Inupiat History, Language, and Cultural Commission, and shall be approved by the AO. Based on this inventory, the lessee shall develop a plan to avoid these sites and mitigate any potential damage that could result from field activities. The plan shall indicate how access to the site by local subsistence users will be provided. Lessees shall submit copies of the plan to BLM and the Subsistence Advisory Panel with any application for permit to drill.

Other Activities:

65. It is the responsibility of the authorized user to ensure that all individuals brought to the planning area under its auspices adhere to these stipulations. Authorized users of the planning area shall provide all employees, contractors, subcontractors, and clients with a briefing regarding stipulations applicable to the lease and/or permit. A copy of applicable stipulations will be posted in a conspicuous place in each work site and campsite.
66. The authorized user shall protect all survey monuments and be responsible for survey costs if remonumentation is required as a result of the user's actions.
67. All activities shall be conducted to avoid or minimize disturbance to vegetation.
68. The BLM, through the AO, reserves the right to impose closure of any area to operators in periods when fire danger or other dangers to natural resources are severe.
69. The authorized user shall be financially responsible for any damage done by a wildfire caused by its operations.
70. Construction camps are prohibited on frozen lakes and river ice. Siting of construction camps on river sand and gravel bars is allowed and, where feasible, encouraged. Where leveling of trailers or modules is required and the surface has a vegetative mat, leveling shall be accomplished through blocking rather than use of a bulldozer.

71. Use of pesticides without the specific authority of the AO is prohibited.
72. The feeding of wildlife by authorized users is prohibited.
73. Hunting and trapping by lessee's employees, agents, and contractors are prohibited when persons are on "work status." Work status is defined as the period during which an individual is under the control and supervision of an employer. Work status is terminated when the individual's shift ends and he/she returns to a public airport (e.g., Fairbanks, Barrow, Nuiqsut, or Deadhorse). Use of lessee facilities, equipment, or transport for personnel access or aid in hunting and trapping is prohibited.
74. Lessees shall conduct a cultural and paleontological resources survey prior to any ground-disturbing activity. Upon finding any potential cultural or paleontological resource, the lessee or their designated representative shall notify the AO and suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the AO.
75. Petroleum exploration and production activities are prohibited within 2 mile of occupied grizzly bear dens, identified by the ADF&G, unless alternative mitigation measures are approved by the AO in consultation with appropriate Federal, State, and NSB regulatory and resource agencies.
76. Oil and gas lessees and their contractors and subcontractors will prepare and implement bear-interaction plans to minimize conflicts between bears and humans. These plans shall include measures to: (a) minimize attraction of bears to the drill sites; (b) organize layout of buildings and work areas to minimize human/bear interactions; (c) warn personnel of bears near or on drill sites and identify proper procedures to be followed; (d) if authorized, deter bears from the drill site; (e) provide contingencies in the event bears do not leave the site or cannot be deterred by authorized personnel; (f) discuss proper storage and disposal of materials that may be toxic to bears; and (g) provide a systematic record of bears on the site and in the immediate area. The lessee's shall develop educational programs and camp layout and management plans as they prepare their lease operations plans. These plans shall be developed in consultation with appropriate Federal, State, and NSB regulatory and resource agencies and submitted to the AO.
77. Operators are encouraged to apply for a letter of authorization from the FWS to conduct activities in polar bear denning areas.
78. Permanent structures, other than oil and gas facilities, are prohibited within 100 feet of the highest high water mark of the nearest body of water.
79. Lessees shall use smokeless flares for handling routine conditions and use auxiliary smokeless flares for planned events that exceed the capacity of routine flares. Lessees shall use flares that meet the Federal New Source Performance design standards listed in

40 CFR 60.18.